Seri 56-36 (1-4)

This file contains a G.O. No D 707/Seri 6-29-1

App. F. IX-4

1928-29 (Reserve)

112-28

Previous References (Seri.)

File No. [redacted]

Serial Nos. (

Later References

Final orders on the subject is passed in G.O.No D 707-8/Seri 6-29-1 dt 20/7/29

Seri. 125-37 (1-2)

p. 16 [illegible]

General and Revenue Secretariat.

Serial Nos. Nine

Part B for July 29.

SUBJECT

Note of inspection of silk filature at Mysore

D 707-8 dt 20.7.29

To the Director of Sericulture

Comptroller

Issues instructions re- Working down Asset of Silk filatures at Mysore

Serial No.

52674/143

Notes of inspection of the Silk Filature at Mysore on 4th March 1929.

The Filature is now manufacturing three kinds of silk:-

(1) 20-22 Denier for the Sri Rama Silk Throwing Factory;

(2) 16-18 Denier for Messrs Hashim Ariff & Brothers, Calcutta;

& (3) 20-30 Denier for the Government Weaving Factory.

2. No. (1) costs from about Rs 12-4-4 to about Rs 14-11-9 per lb. and it is sold at ~~about~~ Rs 12-4-0 per lb. The cost of No. (2) varies from about Rs 13-12-0 to about Rs 15-0-0 per lb. and it is sold at Rs 12-4-0 per lb. The cost of No. (3) varies from about Rs 13-5-4 to Rs 14-2-8 per lb. and it is sold at ~~xxxxxx~~ Rs 11-12-0 per lb. The difference between cost of production and selling rates is wide and a fairly appreciable loss will be the result of working ~~in the year~~ if prompt steps for avoiding or minimising the loss are not taken.

3. Mr. Appadorai Mudaliar stated that the following were the means of reducing cost which were under consideration:-

(1) Obtaining supplies of water from a tube well instead of from taps:- The relief, if any, from this source cannot be expected in the near future. No drill is now available for putting in a bore-hole near the Filature and

NOTE—Contn. sheet

WD 1214—GPB—500—21-10-28

Serial No.

and there is besides the question of finding the money for taking up this work.

(2) The Filature now requires about 220 tons of ordinary fuel and the contract rate for the current year is Rs 13-0-0 per ton. Mr. Appadorai Mudaliar stated that it was under contemplation to try some experiments by using coal with a view to see if the arrangement would result in economy. The Forest Department is supplying fuel to the Sandal Oil Factory at Mysore. If the rate for this supply is less than Rs 13-0-0 per ton, the Filature might get its fuel from the Forest Department. If the use of coal is likely to cheapen cost the experiments in view should be carried out early.

(3) Combined cooking of cocoons for all basins in use under the supervision of an experienced hand:- Mr. Appadorai Mudaliar state that this innovation would not involve any outlay and that its adoption would reduce the wages bill and also secure uniform cooking with all its advantages. It is well to give an early trial to this experiment.

(4) Use of hybrid cocoons:- It would appear that the Filature is now almost entirely dependent upon ordinary Mysore cocoons. Why the Central Farm at Mysore should not produce hybrid cocoons for use by the Filature is not clear. This matter requires prompt attention.

(5) Use of a stifler for reducing cost of transport of cocoons:- Mr. Appadorai Mudr. stated

WD 1214—GPB—500—21-10-28

Serial No.

stated that he was thinking of ordering a stifling appliance costing about Rs 1,000 or Rs 1,500. I am not sure if it is necessary to get an equipment of this kind from outside. Cannot the officers of the Sericultural Department in consultation with the Industrial Engineer and his Assistants, devise a small appliance to serve this purpose? We have been thinking of supplying each user of a Domestic Basin with a small throwing machine so that he may twist the silk which he has reeled and sell it to the weaver. Similarly, it should be our object to supply each rearer of cocoons with a stifler with a view to minimise cost of transport of cocoons and enable the rearer to realise ~~better~~ a better value for his production.

(6) Apprentices permitted to learn work in the Filature are paid a small remuneration which is treated as part of the wages-bill. This is ~~an~~ a handicap on cost of production and the point has been noticed by the Director in his inspection. I do not know if it is necessary to pay anything to apprentices, but if it is, the expenditure on this account should not certainly be allowed to worsen the commercial side of the Concern.

(7) For purposes of demonstration, it was stated by Mr. Appadorai Mudaliar, that trained reelers employed by the Filature were frequently withdrawn and they had to be replaced by novices with the result that the Filature suffered

WD 1214—GPB—500—21-10-28

Serial No.

suffered both in production and in quality of silk made. This is another handicap on the Filature and the Director may be requested to consider how it can be removed.

4. The Filature is required to pay a monthly rent of about Rs 50 for its building to the Sericultural Department and a total liability of Rs 3,479-8-0 has accumulated on this account and remains undischarged. The Filature is mainly a propagandistic concern for ~~conducting~~ educating sericulturists in improved methods of reeling. Production of some quantity of silk is necessary for this purpose and if the production side of the Filature alone is emphasised and if it is in consequence required to conform to all the conditions of a commercial concern, the result is likely to seriously prejudice the educative ~~character~~ side of the Filature. For this reason, it appears to be desirable not to overstress the commercial side of the Concern and afford the Filature all reasonable facilities for serving its main object of demonstrating and popularising improved methods of reeling. As one of these facilities the question of excusing the rent for the building used by it might be considered in Consultation with the JI Secy. I understand that the building was originally intended for the exhibition of agricultural machinery and its cost has apparently been treated as final expenditure in Government accounts. The building itself is not particularly well adapted to be used as a Filature as its roof is low and is made of zinc sheets and it is

NOTE—Contn. sheet

WD 1214—GPB—500—21-10-28

Serial No.

is reported that the workers frequently fall ill by inhaling steam with which the atmosphere is charged in the low-roofed building. It is also stated that the zinc roof makes the building unbearably hot in summer. It is necessary to improve the health conditions of workers in the Filature and I understand that the Director is considering with Mr. Appadorai Mudaliar the question of raising the roof of the building.

5 It would appear that the 12 Basins now in use ~~xxxxxxx~~ cost a large sum of money and their present value is Very much less. The book cost shown in the balance-sheet, after providing for depreciation so far allowed, is about ~~xxxxx~~ Rs 35,000 and Mr. Appadorai Mudaliar stated that ~~xxxx~~ the present market value of these Basins ~~cannot~~ Could be placed, at the highest, at more than about Rs 6,000. This is another handicap under which the Filature labours in its attempts to satisfy the exacting conditions of a commercial concern, while serving its real object as a Demonstration Filature. If the capital cost of the Basins has been charged off as final expenditure, the question might be considered ~~a~~ whether it is not desirable to take for purpose of the balance-sheet the value of the Basins at about their ~~xxxx~~ present market price. If this arrangement is adopted, the Filature will be enabled to effect a saving on its annual provision for depreciation. The heavy expenditure on the Basins represents over-capitalisation of the Concern and to write down the excess part

NOTE—Contn. sheet

WD 1214—GPB—500—21-10-28

Serial No.

of such capital is not an unusual commercial operation. The F.C. Secy's opinion may be obtained on this proposal also -

6 Petty ~~Small~~ items are encumbering the balance-sheet on both its sides and I have asked Mr Appadorai Mudaliar to take prompt action for their collection or payment and where these courses are not possible, they might be adjusted to the Revenue Account and should there be any rare cases of claims by or against the Filature ~~to be received~~, they can be dealt with through the Revenue Account and it will be sufficient for this purpose to keep a separate list of the items so dealt with.

7 The Filature owes Rs 1,276-4-5 to the Mysore Farm and this liability should be discharged without further delay. Similarly, there are the following items:

(1) Rs 374-12-9 due to the Channapatna Farm,

(2) Rs 60-0-0 due to the Kunigal Farm,

(3) Rs 1,000-0-0 due to the Director of Industries & Commerce.

These also require prompt settlement.

8 I was glad to see that the old stock of silk had practically been disposed of and that the stock on hand was only about three months' production and even this was practically held against orders.

9 A sum of Rs 226-15-2 is shown as due ~~to~~ by Mr. M. Devoji Rao. The account of this gentleman was settled long ago and there is no reason why this amount should be left outstanding.

WD 1214—GPB—500—21-10-28

Serial No.

D 7630

outstanding. A sum of Rs 1,167-5-8 is due by Mr. G.Subba Rao and prompt action is necessary for making recoveries according to the terms of sale. A sum of Rs 11,074-8-6 is payable by the Sri Rama Silk Throwing Factory. Mr. Appadorai Mudaliar stated that against this amount a sum of Rs 4,000/- had since been received. The recovery of the balance requires to be watched according to the terms of agreement with this firm. A sum of Rs 227-12-0 is due by the Superintendent of Sericulture on account of supplies made to him for the Calcutta Exhibition. As separate funds have been sanctioned for meeting Exhibition charges, there should be no delay in paying up the dues of the Filature.

12/3/29

10) Please put up Off letter to Dir Ind, forwarding a copy of the letter of Insp, & requesting that early action might be taken as indicated.

12 3 29

12/3

11 Subba with a draft

KB. 13. 3. 29. 12 Noon

13/3/29

Letter No. D 9794/B 23 dated 9 9 29 Dir. of Ind, forwarding copy of the Note by Inspection for necessary action.

NOTE—Contn. sheet

WD 1214—GPB—500—21-10-28

IV 2 1183/29 AD
19/4/29.

App. F. III—2] 8

General and Revenue Secretariat. Sericulture File No. 112 of 1928.

Serial No.

13 This may be referred to the Sericulture Asst. also for favour of remarks, with reference to the Member's observations in the note.

18.6.4.29 Hartley

S.O. 6.4.29

Asst. Director.

Chief 13.4.29

14 To Compliance with compliments the favour of stating if the proposals in paras 4 & 5 of the Member's minute affect the States Revenue budget and if so how. The Cash balance sheet of the Filature may also be kindly looked for in case

16/4/29

R 3672 / D 13/4/29

COMPTROLLER'S OFFICE 18 APR. 1929 BANGALORE.

D. O. 465/29

D. O. No. 421/29 7-5-29

U.O.No.807/I.A.D. Dated: 6th May 1929.

15 Returned with compliments.

2. The liability on account of rent is appearing only in the Accounts of the concern but the corresponding demand is not outstanding either in the Accounts of the Public Works or of the Sericultural Department. Under the circumstances, the waiving of rent does not affect the revenue budget of the Sta The adjustment of rent in the books of the concern would however, amount to the reduction of accumula ed losses.

3. As regards the proposal for writing down the capital value of Fixed assets, since the cost of

NOTE—Contn. Sheet.

WD 01714—GPB—30,000—18-4-28

Serial No.

R3672

of the machinery etc., has been shown under a Service head ~~since~~ in previous years, the revenue budget will not be affected by this adjustment.

4. If the machinery has to be written down to such a low figure as Rs.6,000, then the present rate of depreciation, ie., 2% on the reducing value, is too low and the rate may have to be raised to the normal percentage allowed on machinery in other industrial concerns, i.e., ranging between 5 - 7½%.

5. Copy of the latest balance sheet for the half year ending 31st December 1928 is enclosed.

S.S.

for Comptroller. 1.5.29
(about for Cotton)

7171
13.5.29

H Secy) 1.5.29

16 The proposals (1) to excuse payment of rent for the Filature building and (2) to write down capital may be adopted.

17 As suggested by the Comptr the rate of depreciation on the reduced capital may be raised to 5 p.c. This will give a saving of Rs 870 a year. (old rate 6% — new rate - 6 x 5 = 30% —) -

18 I have no objection

GEN. & REV. SECRETARIAT. 22 MAY 1929 DEVELOPMENT BRANCH.

21/5/29.

1st Member 19 24.5.29

No. 7304

20. The accts for 1928-29 may be made up accordingly

Cer 25/5

25.5.29 25/5/29 Cer 25/5

NOTE—Contn. sheet

7680

App. F. III—2]

General and Revenue Secretariat | Secl File No. 112 | of 192 8

Serial No.

21) May this be sent to the Comptroller unofficially for noting the Member's orders at paras 19 & 20, and returning the file?

18.27.5.29.

yes
29.5.29

WD 01684—GPB—30,000—20-4-29

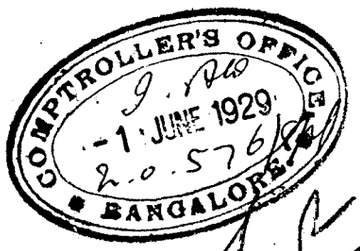
IV-91387/9 AD
4/6/29

App. F. III—2]

General and Revenue Secretariat

Secn. File No. 112 of 1928 (1D

Serial No.



2 Forwarded, with Compliments, to the Comptroller to Govt. for favour of noting the I Member's minute dated 25th May '29 and returning the file.

By order

Cenotaphs
1.6.29

for Secretary to Govt.
Development Depts.

1

11

noted & returned with Compliments.

8.6.29.

B. Subba Rao
8.6.29
for Comptr.

P.O. No. 495/Spl
8.6.29.

Subd for info
1st Member

23 6 29

25/6/29

12 P.S. The I.G. should be informed of the Notification made

13 Draft. Submitted
18.1.7.29.

14 press off as revised

25 6 29

25/6

Note—Contn. Sheet

WD 01684—GPB—30,000—20-4-29

may be put up
Dy. S. 27/6/29

Serial No.

15 Fair draft. Subd for appn
Rs. 11.7.29.

Sec'y Secy

Engg 17/7/29

17/7

Issue

15/7/29

H Ch 15/9/29

Engg 17/7/29

H Secy has been consulted Dy C of Ac

Subd.
17/7/29

Issue
Rs 17/7/29
Communicated.

1) 20 Dir of I & C.
Comptroller Through F.D.
No D 707-8 dy 20/7/29.
Issues certain instructions re: writing down the assets of Govt Silk Filature at Mysore.

Vide B.

COMM. & INDUS. DEPTT.
27 MAY 29
DEVELOPMENT BRANCH

WD 01684—GPB—30,000—20-4-29

Balance Sheet of the Government Silk Filature, Mysore as on 31st December 1928.

LIABILITIES.			ASSETS.		
1. Fixed Capital.	Rs.41,118-15-9.		1. Machinery at cost.	Rs.38,014- 3-10.	
Add amount of working Capital utilised on Capital a/c	249-11-4.	Rs.41,368-11-1.	Less depreciation ~~for the~~ to end of last half year.	4,417-15- 2.	
			Less depreciation for current half year at 2%.	335-15- 7.	Rs.33,260- 5- 1.
2. Working Capital.	75,784- 0-0.		2. Tools & Plant at cost.	340- 8-11.	
Deduct amount spent for Capital Expenditure.	249-11-4.	Rs.75,534- 4-8.	Less depreciation to end of last half year.	154-11- 0.	
			Less depreciation for the current half year at ~~Rs.~~ 10.%	17- 1- 0.	168-12-11.
3. Outstanding liabilities.		1,146- 5-6.	3. Furniture at cost .	1,783-11- 0.	
4. Sundry creditors.		4,869-10-7.	Less depreciation to end of last half year at ~~Rs.~~ 10%.	975-11-0.	
5. Rent payable.		3,479- 8-0.	Less depreciation for the current half year.	89- 3- 0.	
6. Unpaid wages.		31- 6-10.		718-13-0.	
			Add furniture.	227- 0-0.	945-13-0.
			4. Filature spare parts		1,230- 3-4.
			5. Petty stores.		806-13-6.
			6. Closing Stock - Fuel.	125- 4-7.	
			Cocoons.	10, 594-11-6.	
			Silk & Waste.	8, 486-12-0.	19,206-12-1.
			7. Sundry debtors.		25,436-15-4.
			8. Advance for purchase of cocoons.		
			(i) Senior Sericultural.	108- 4-5.	

	(ii) Asst. Suptd.	0-10-8.	108-15-1.
9.	Cash balance. -		
	Mysore District Treasury.	3,628- 8-6.	
	Cash at Office.	45-13-1.	3,674- 5-7.
10.	Profit & Loss Account.		40,135-15-9.
11.	Loss during the current half year.		1,454-15-0.
	Total.		Rs. 1,26,429-14-8.

"Copy".

P. Rajamanna

Superintendent, ~~Records~~ L.R.D. Section. 7.5.29

S.S.

Appendix F G—1

SUBJECT..... .....

.....

.....

Section Seri

File No. 112-23

Serial No. 1

Diary No. of letter replied to.....

No. 9990/Sec

General and Revenue Secretariat

( )

the *192*

To The Director of Pe

Date of issue 23/3/29

Signed by W. C. S. Nwanoba,

Sir,

I am directed to forward herewith a copy of the Notes of inspection of the Sick Fileture at Mypur by the First member of Council on the 4th March 1929 and to request you to be so good as to take necessary action early, as indicated in the notes on the several points referred to therein

I have the

Clerk
15/3/29

List of enclosures.....

Copied by.....

Examined by.....

Over for Secy

WD 0399—GPB—20,000—18-9-28

16-13.3.29.

Proceedings of the Government of H.H.
the Maharaja of Mysore.

....

ORDER NO 0707-8/Seri 6-29-1 ~~42-28-3~~

Dated Bangalore July 1929.

Government observe that the Government Silk Filature at Mysore is at present under a liability to pay a monthly rent of ~~about~~ Rs.50 for its building to the Sericultural Department and that a total liability of Rs. 3,479-8-0 has accumulated on this account and remains undischarged. The Filature is mainly a propoganditic concern for educating sericulturists in improved methods of reeling, though production of some quantity of silk is necessary ~~on~~ for this purpose. - Government therefore consider it desirable to afford the Filature, without prejudice to the commercial side of the concern, all reasonable facilities for serving ~~of~~ its main object of demonstrating and popularising improved reeling. ~~for the Filature.~~ It is understood that the liability on account of rent is appearing only in the - accounts of the concern and that no corresponding demand is outstanding either in the accounts of the Public Works or the Sericultural Department.

Government are ~~accordingly~~ pleased to direct that the building be treated as given to the Sericultural Department for the use of the Filature free of rent, and the recovery of the accumulated rent for the Filature ~~is~~ be also waived.

As regards the fixed assets of the Filature, it is understood that the 12 basins now in use cost a large sum of money and that their present value ~~is very much less amounting~~ amounts to about Rs. 6,000 as against about Rs. 35,000, the book cost shown in the balance sheet after providing for depreciation so far allowed. This is another handicap ~~affecting the commercial side of the Filature which serves however~~ under which the Filature labours in its attempts to satisfy the exacting conditions of a commercial concern, while serving its real object as a demonstration Filature. The heavy expenditure on the basins represents over-capitalisation of the concern, and it is necessary to write down the excess part of the capital.

Government are accordingly pleased to direct that for purposes of the Balance Sheet of the concern the value of the basins at the Filature be written down to their present market price of Rs. 6,000. In view however of the reduction of the capital cost, the percentage of depreciation allowed on the machinery will be raised from the present rate of 2% to 5% on the reduced capital.

The Comptroller is requested to make up the accounts of the Filature for 1928-29 in the light of the above instructions.

15 7 29

Secretary to Govt.,
Development Departments.

To

The Director of Industries & Commerce in Mysore.
The Comptroller to Govt., through F. D.

11-7-29

TSS-11/7